



ENVIRONMENTAL PROTECTION AGENCY

Funding Highlights:

- Provides \$8.2 billion for the Environmental Protection Agency, a decrease of \$296 million, or 3.5 percent, below the 2012 enacted level.
- Builds on prior information technology advancements and efforts to streamline regulations by investing in the E-Enterprise Initiative to assess and reformulate business processes, transition from paper-based to electronic reporting, and develop an interactive portal for regulatory transactions with States and the business community. This investment will improve the quality of data used for decision-making and allow the Agency and States to regulate and enforce compliance more effectively and efficiently.
- Modernizes the Agency by consolidating positions and restructuring the workforce to ensure the Agency has the necessary skills for the current era of environmental protection, and supports investment in the E-Enterprise Initiative as a means of using data and evidence to improve program performance.
- Increases support to States and Tribes by \$47 million for implementation of delegated authorities, including those for air quality management and water pollution control programs.
- Continues efforts to restore significant ecosystems such as the Great Lakes, Chesapeake Bay, California Bay-Delta, Everglades, and the Gulf Coast, by helping to promote their ecological sustainability and resilience.
- Reduces funding for Drinking Water and Clean Water State Revolving Funds by a combined \$472 million, while focusing assistance on small and underserved communities and the use of green infrastructure.
- Limits new Hazardous Substance Superfund remedial action project starts while maintaining emergency preparedness and response programs.

The Environmental Protection Agency's (EPA) mission is to protect human health and the environment. Due to the current fiscal environment, the 2014 President's Budget includes \$8.2 billion to continue to deliver on this mission, a

decrease of \$296 million, or 3.5 percent, from the 2012 enacted level. This funding supports the E-Enterprise Initiative, designed to transform the way the Agency does business, and increases core priorities, such as grants to support State

and tribal implementation of delegated environmental programs. The Budget provides \$1.9 billion for the annual Federal contribution to State Revolving Funds, a reduction of \$472 million that will still allow for robust financing by State programs, while emphasizing small, underserved communities and the use of green infrastructure to leverage resources. The Budget also reduces the Hazardous Substance Superfund account by \$33 million, and eliminates \$54 million in outdated, underperforming, and overlapping programs.

Supports a 21st Century EPA

Moves EPA Forward by Investing in the E-Enterprise Initiative. By developing an interactive portal for environmental protection transactions, including processing permit applications and providing updated regulations and relevant compliance information to industry, E-Enterprise will enable EPA and the States to more efficiently and effectively implement programs. The E-Enterprise Initiative will start by assessing and updating current business processes and implementing the information technology systems needed to transition from paper to electronic reporting, which will reduce the reporting burden on industry, as well as encourage greater transparency and compliance. This initiative capitalizes on ongoing investments made by EPA and the States to share data through the Central Data Exchange, and promotes a data infrastructure that will be used to gather evidence and apply lessons learned to improve programs and realize efficiencies. E-Enterprise builds on efforts such as e-Manifest for hazardous waste, which will allow for one-stop reporting and save industry the costs of completing thousands of pages of paper reports that cannot easily be used for tracking and managing shipments.

Begins Transforming the Workforce for the Modern Era. The Budget restructures the workforce, focusing on matching the right skills with program implementation and utilizing best management practices. Some positions will be consolidated and reconfigured to reflect the current era of environmental protection that

increasingly relies on advanced monitoring tools and information technology for data-driven analyses and targeted enforcement and compliance activities. This restructuring will support the implementation of the E-Enterprise Initiative.

Reduces the Agency's Physical Footprint. The Budget continues to support EPA's efforts to shrink its physical footprint through reconfiguring and consolidating workspace, and disposing of underutilized properties and satellite offices.

Fosters Progress on a Clean Energy Economy

Supports Efforts to Address Climate Change. The President has set a goal to reduce domestic greenhouse gas emissions 17 percent below 2005 levels by 2020, and EPA has taken steps to help make significant progress toward this goal. For example, when fully implemented, the Administration's national program of fuel economy and greenhouse gas standards for cars and light trucks alone will save consumers an average of \$8,000 in fuel costs, cut oil use by approximately 12 billion barrels and prevent six billion metric tons of greenhouse gas emissions over the lifetimes of the vehicles sold through model year 2025. In 2014, EPA will continue to implement existing regulations to reduce emissions from light duty and heavy duty mobile sources. EPA will continue to collaborate with Federal and State agencies, the private sector, and other stakeholders, to explore other cost-effective strategies to reduce greenhouse gas emissions. The Budget also maintains funding levels for partnership and voluntary programs like ENERGY STAR, which help reduce energy waste and cut household utility bills. To help prepare the Nation for climate change impacts that cannot be avoided, EPA programs will also support local community efforts to improve resilience to extreme weather and other climate change impacts. These efforts are consistent with a broader Administration commitment to help communities improve their resilience to climate change through direct technical assistance, useful data and tools on projected impacts, and other support.

Strengthens the Economy Through Environmental Investments

Promotes Economic Growth with Funding for Brownfields. Brownfields are lightly contaminated sites, many in economically hard-hit areas, where the presence or potential presence of contamination may keep these sites from being used productively. The Budget leverages funding from across the Federal Government, as well as State, local, and private investment in order to promote job creation and economic growth in these communities through initiatives such as the Urban Waters Federal Partnership, the Partnership for Sustainable Communities, and Strong Cities, Strong Communities. In order to support these initiatives and communities around the Nation while recognizing fiscal constraints, the Budget increases funding for technical assistance, but slightly reduces competitive grant funds.

Continues to Fund the Great Lakes Restoration Initiative. The Budget proposes to maintain funding for the Great Lakes Restoration Initiative at \$300 million, which will allow for continued ecosystem restoration efforts while exercising fiscal restraint. This EPA-led interagency effort to restore the Great Lakes focuses on priority environmental issues such as cleaning up contaminated sediments and toxics, reducing non-point source pollution, mitigating habitat degradation and loss, and addressing invasive species.

Supports Restoration of the Chesapeake Bay. Funding for Chesapeake Bay restoration is increased by \$16 million to support Bay watershed States as they implement their plans to reduce nutrient and sediment pollution in an unprecedented effort to restore this economically important ecosystem. EPA and Federal partners will continue to coordinate with States, municipalities, and industry to restore the integrity of this national treasure.

Supports State and Tribal Environmental Programs. The Budget proposes \$1.1 billion for grants to support State and tribal implementation

of delegated environmental programs. The support includes \$257 million in State grant funding for air programs, an increase of \$22 million to assist States in addressing additional responsibilities associated with greenhouse gas reduction efforts and other air pollutants, and \$259 million in State water pollution control grants, a \$20 million increase, including \$15 million to improve nutrient management. The Budget also proposes to increase funding for the Tribal General Assistance Program (Tribal GAP) by \$5 million. Tribal GAP funding builds tribal capacity and assists Tribes in leveraging other EPA and Federal funding to contribute to a higher level of environmental and health protection.

Enhances Interagency Efforts to Improve Water Quality. The United States has made great strides in improving water quality; however non-point source pollution remains a significant economic, environmental, and public health challenge that requires policy attention and thoughtful new approaches. Key Federal partners, along with agricultural producer organizations, conservation districts, States, Tribes, non-governmental organizations, and other local leaders will continue to work together to identify areas where a focused and coordinated approach can achieve decreases in water pollution. The Budget builds upon the collaborative process already underway among Federal partners to demonstrate substantial improvements in water quality from conservation programs by coordinating efforts between the Department of Agriculture (USDA) and EPA programs, such as EPA's Nonpoint Source Grants and Water Pollution Control Grants and USDA's Farm Bill conservation programs. This coordination will allow for more effective, targeted investments at the Federal and State level during a time of constrained budgets, and will ensure continued improvements in water quality.

Leverages Cost Effective Tools. Through the Urban Waters Federal partnership, Federal agencies, including EPA, are working together to help communities restore waterways and realize the economic, environmental, and social benefits of clean water. In many cities, stormwater has become a growing challenge to protecting and

improving water quality. However, green infrastructure, such as green roofs, rain gardens, wetlands, and forest buffers, can be a cost-effective way to manage stormwater and meet Clean Water Act goals. In 2014, the Urban Waters Federal Partnership will partner with at least two communities to help incorporate green infrastructure into their stormwater management plans, eventually providing models for others also facing the same challenges.

Makes Focused Cuts

Reduces Funding for State Revolving Funds (SRFs). The Budget proposes a combined \$1.9 billion for Federal capitalization of the SRFs, representing a reduction of \$472 million from the 2012 enacted level. The Budget also proposes a gradual reduction to focus on communities most in need of assistance, but will still allow the SRFs to finance approximately \$6 billion in wastewater and drinking water infrastructure projects annually. The Administration has strongly supported the SRFs, having received and/or requested a total of approximately \$20 billion in funds for the SRFs since 2009. Since their inception, the SRFs have been provided with approximately \$53 billion. Going forward, EPA will work to target SRF assistance to small and underserved communities with limited ability to repay loans. The Administration strongly supports efforts to expand the use of green infrastructure to meet Clean Water Act goals. To further these efforts, the Budget will target the funding intended for

green infrastructure approaches to storm and wastewater, which will help communities improve water quality while creating green space, mitigating flooding, and enhancing air quality.

Provides Targeted Decreases to Hazardous Substance Superfund Account. The Budget reduces funding for the Hazardous Substance Superfund account by \$33 million from the 2012 enacted level. These reductions will be targeted largely to new project phases of long-term remediation construction. The Budget maintains a funding level necessary for EPA to be prepared to respond to emergency releases of hazardous substances and circumstances that place the public at imminent risk of exposure and harm. The Administration has also put in place a more robust process for tracking and using special account (i.e., settlement) funds, in an effort to preserve Federal dollars for those sites where no viable, responsible party has been identified.

Eliminates Outdated, Underperforming, and Overlapping Programs. The Budget terminates \$54 million in outdated, underperforming, or duplicative EPA programs. This reduction is part of the Administration's Government-wide effort to focus resources on programs that have the greatest impact and in areas that benefit most from Federal support, while eliminating those programs that are underperforming, or can be implemented through other Federal or State efforts (e.g., the Radon and Beaches grant programs).